VZCZCXYZ0011 RR RUEHWEB

DE RUEHIN #0510/01 1021237 ZNR UUUUU ZZH R 111237Z APR 08 FM AIT TAIPEI TO RUEHC/SECSTATE WASHDC 8669 INFO RUEHBJ/AMEMBASSY BEIJING 8153 RUEHHK/AMCONSUL HONG KONG 9390

UNCLAS AIT TAIPEI 000510

SIPDIS

SIPDIS

DEPARTMENT FOR INR/R/MR, EAP/TC, EAP/PA, EAP/PD - NIDA EMMONS DEPARTMENT PASS AIT/WASHINGTON

E.O. 12958: N/A

TAGS: OPRC KMDR KPAO TW

SUBJECT: MEDIA REACTION: CROSS-STRAIT RELATIONS, U.S.-CHINA-TAIWAN RELATIONS, THE BEIJING OLYMPIC GAMES

- 11. Summary: Taiwan's major Chinese-language dailies focused news coverage April 11 on vice president-elect Vincent Siew's attendance at the Boao Forum for Asia (BFA) and Siew's expected meeting with Chinese President Hu Jintao; on the Ministry of National Defense (MND)'s alleged violation of freedom of the press; and the worldwide protests against the Olympic Games torch relay.
- 12. In terms of editorials and commentaries, an op-ed in the "Apple Daily" said Siew's attendance at the BFA and his expected meeting with Hu deserve extensive public review out of several concerns. An editorial in the "Apple Daily" criticized a rumor that has been circulating in Taiwan's stock market, alleging that China will withdraw half its missiles deployed against Taiwan when Taiwan's President-elect Ma Ying-jeou is inaugurated on May 20, as simply "gossip." Stephen Yates, former deputy assistant for national security affairs to U.S. Vice President Dick Cheney, wondered in the "Taipei Times" what the Taiwan people can expect from the U.S. and China in terms of cross-Strait and U.S.-China-Taiwan relations as Taiwan president-elect Ma Ying-jeou's administration begins. An editorial and a column in the "Liberty Times" criticized China's crackdown in Tibet and advocated a worldwide boycott of the Beijing Olympic Games. End Summary.
- ¶3. Cross-Strait Relations

"The Boao Forum for Asia Tests 'One China with Respective Interpretations.'"

Lai I-chung, a member of the executive board of Taipei-based public policy research institute Taiwan Thinktank, opined in the mass-circulation "Apple Daily" [circulation: 520,000] (4/11):

"... First, will quasi-Vice President Vincent Siew enter China by holding the passport of Republic of China or holding a Taiwan Compatriot Pass? [Taiwan's President-elect] Ma Ying-jeou claimed that both sides of the Taiwan Strait can negotiate based on the '1992 consensus' which means 'one China with respective interpretations.' According to Ma and Siew, Mainland is also part of the territory of the Republic of China although [the Republic of China] does not govern it; therefore, Siew should be able to use the passport of the Republic of China to attend the Boao Forum for Asia (BFA). If Siew still has to enter China holding a Taiwan Compatriot Pass issued by the People's Republic of China, it not only shows that Ma's 'mutual non-denial' is not accepted by China but also means that the '1992 consensus,' which Ma insists is reality, is equivalent to accepting the 'one-China principle.' ...

"Siew publicly advocated a 'cross-Strait common market' in the 2004 BFA. As a result, the general public can legitimately suspect that China made an exception to allow Siew to attend the BFA as a distinguished guest after registration had closed in order to realize the 'one-China market' by having a dialogue with Siew. This

[one-China market] includes the opening of negotiations with Taiwan on a Closer Economic Partnership Arrangement (CEPA) [Ed. - this is an agreement Hong Kong and mainland China concluded in 2003] and the Hong Kong-ization of Taiwan's economy, etc. According to a poll commissioned by Taiwan's Mainland Affairs Council (MAC), people who consider that Taiwan should be more cautious regarding Taiwan's

economic and trade exchange with China outnumber those who consider that Taiwan should be more open. It demonstrates that policies such as 'a cross-Strait common market' and "the CEPA" are still very controversial without a domestic consensus. It would be unthinkable what results would come out of a 'Hu-Siew meeting' when facing pressures from Beijing. ..."

- 14. U.S.-China-Taiwan Relations
- A) "Withdrawing Missiles Is Just Gossip"

The mass-circulation "Apple Daily" [circulation: 520,000] editorialized (4/11):

"... It is not impossible that China withdraws missiles it deploys [against Taiwan] along the coast. However, withdrawing missiles and disarmament requires long-term negotiation. Both sides have to negotiate according to the principle of proportionality and cannot withdraw just by wishful talk. Why does China want to withdraw missiles? [Missiles] are the most efficient deterrence that China can utilize against Taiwan. On what grounds must China give this gift [of withdrawing missiles] to [Taiwan's President-elect] Ma Ying-jeou for no reason? China has abundant gifts in its diplomatic toolbox, such as allowing the three links, 'one China with respective interpetations,' trade favors, allowing [Taiwan's] officials to visit China and the United States, and a ceasefire in the diplomatic arena. There is no point [for China] to use the extremely weighty card of withdrawing missiles at the outset and decrease its bargaining chips sometime in the future.

RELATIONS, THE BEIJING OLYMPIC GAMES

"What more crucial is, what Taiwan can offer in exchange if China withdraws its missiles? China will definitely want Taiwan to decrease or stop purchasing advanced weapons from the United States. The core of the lengthy negotiation is how many missiles [China] will withdraw in exchange for how many fewer advanced weapons Taiwan will buy [than originally planned]. However, this is also involved with the United States' attitudes and interests. How will the United States allow Taiwan not to buy or to buy fewer weapons? With two big sides [the United States and China] pulling and dragging, it will not only be difficult for a small party like Ma's authorities to find their niche in between the two big sides, but it will also be time consuming. Do you still expect the possibility that China will withdraw missiles on May 20?"

B) "What to Expect of the U.S. and China"

Stephen Yates, President of DC Asia Advisory, a consultancy in Washington, and former deputy assistant for national security affairs to United States Vice President Dick Cheney, opined in the pro-independence, English-language "Taipei Times" [circulation: 30,000] (4/11):

"... So far there is no evidence that officials in Beijing or Washington are entertaining meaningful changes to treatment of Taiwan in international settings. Beijing has not agreed to a "ceasefire" in efforts to take Taiwan's remaining diplomatic allies and has not defined what international space (if any) it will support for Taiwanese representatives. And Washington has not linked its relief with Ma's victory to forthcoming relaxation of symbolic restrictions placed on interaction with Taiwanese officials (in the US and internationally).

"For example, where is the international space that the US will now pro-actively advocate for Taiwan, even if Beijing continues to object? Hard to imagine anything in the near-term, with so many other equities at stake with Beijing that the US is likely to see as more important.

"Economic relations with China and the US are the area of greatest promise in terms of expanded interaction, although it is unclear

what, if any, improvement it will lead to in Taiwan's economic performance. Loosening restrictions on cross-strait investment, trade, transportation and tourism will clearly increase activity. Actual progress towards establishing a common market would do even more.

"Similarly economic interaction with the US could expand if the US agrees to simultaneously open negotiations for a bilateral free-trade agreement. But would deeper economic integration with either China or the US necessarily lead to more rapid GDP growth, lower unemployment, greater international competitiveness or higher consumer confidence?

"For outside observers it is hard to assess how important near-term progress is to the fate of the Ma Administration. ..."

- ¶5. The Beijing Olympic Games
- A) "Boycotting the Olympic Games Has Become a Courageous Global Move to Uphold Justice"

The pro-independence "Liberty Times" [circulation: 720,000] editorialized (4/11):

- "... In contrast, [Taiwan's President-elect] Ma Ying-jeou, who during the presidential election threatened that he did not rule out the possibility to boycott the Beijing Olympic Games if China continued its crackdown in Tibet, unconsciously becomes China's puppet to transfer the world's attention by sending Vice President-elect Vincent Siew to attend the Boao Forum for Asia (BFA) held on the Hainan Island, China, while the world is condemning China. Frankly speaking, with the Beijing Olympic Games imminent, apparently there is not enough time to shift the Olympic Games to other places. However, people in the world should not connive in the bloody Chinese crackdown in Tibet. Protesting and interfering with the torch relay is indeed a courageous move to uphold justice. If Taiwan's coming government continues its policy of flattering China, it will not only be despised by the general public but will also lead Taiwan to a tragic, Tibetan-style destiny. [Taiwan's incoming government] will be condemned by history."
- B) "A Cannibal Holding the Torch"

The "Free Talks" column in the pro-independence "Liberty Times" [circulation: 720,000] wrote (4/11):

"... Only emphasizing economic achievement without talking about the universal value of democracy is like a cannibal holding a torch and RELATIONS, THE BEIJING OLYMPIC GAMES

bragging about headhunting. People will not know whether to laugh or cry or, even more, feel appalled. It turns out that China has to send its armed police forces to protect the torch. Holding the Olympic Games not only does not improve [China's] national image, but it even makes 'its head covered with dust and its face covered with dirt', embarrassing it thoroughly."

YOUNG